



THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
JESSIE K. RASMUSSEN, DIRECTOR

March 13, 2000

Mr. Dan McCarthy  
Health Care Financing Administration/CMSO  
Mail Stop S2-03-08  
7500 Security Boulevard  
Baltimore, Maryland 21244

Dear Mr. McCarthy:

This is in response to questions received on March 13 from the Kansas City Regional Office regarding the second amendment to Iowa's SCHIP.

On the budget, can the State:

Q1. Include estimate enrollment figures

R1.

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
Monthly average enrollment-Medicaid expansion	7,875	13,570	15,490
Monthly average enrollment-HAWK-I managed care	2,711	6,712	8,794
Monthly average enrollment- HAWK-I indemnity	2,936	7,271	9,152

Q2. Indicate the difference between benefit and administrative costs by either (1) putting these three items under a heading of Administrative Costs, or (2) changing "Administration" to "Other Administrative Costs."

R2. See attached sheet

Q3. Provide an assurance that it will not seek matching funds for more than 10% of the benefits spending since these are estimates.

R3. Iowa will use state dollars if more than 10% of the benefits are spent.

Q4. Use the current FMAP rate (74.14%) for all three years, instead of the 73.87% rate used in the chart.

R4. The attached chart uses the FMAP rate of 74.14% for all three years.

HOOVER STATE OFFICE BUILDING - DES MOINES, IA 50319-0114

QS. Indicate the offsetting of premium collection amounts.

R5. HAWK-I cost sharing

	<u>State \$</u>	<u>Federal \$</u>	<u>Total \$</u>
FY 2000	\$81,619	\$ 233,998	\$ 315,617
FY 2001	\$292,891	\$ 899,712	\$1,132,603
FY 2002	\$375,911	\$1,077,729	\$1,453,640

Q6. Provide pm/pm rates for all three years.

R6.

<u>PM/PM rates</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
Medicaid expansion	\$151.55	\$151.55	\$151.55
HAWK-I managed care	\$ 84.97	\$ 84.97	\$ 84.97
HAWK-I indemnity	\$110.63	\$110.63	\$110.63

Please note that this is third set of questions we have been requested to respond to regarding what we believe is a fairly minor amendment to *our* state plan. I hope that all of the issues are now resolved and approval is imminent. Thank you.

Sincerely,

Anita Smith, Manager  
Insurance Purchasing Unit  
Division of Medical Services

AS/ar

CC: Tom Lenz  
Associate Regional Administrator  
Division of Medicaid and State Operations  
601 E. 12<sup>th</sup> St., Room 227  
Kansas City, Missouri 64106

	State Dollars	Federal Dollars	Total Dollars
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**Total CHIP SFY 2000**

\$	5,880,403	\$16,858,972	\$	22,739,375
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Administration Percent: 10.0%

	State Dollars	Federal Dollars	Total Dollars
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Total CHIP SFY 2001

<b>\$</b>	<b>10,937,168</b>	<b>\$31,356,598</b>	<b>\$ 42,293,766</b>
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Administration Percent: 5.6%

	State Dollars	Federal Dollars	Total Dollars
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**Total CHIP SFY 2002**

\$	13,288,952	\$	38,099,105	\$	51,388,057
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Administration Percent: 7.4%

[illegible]